NPCI/IMPS/OC No.90/2019-20   26ᵗʰ April'19

To,

All IMPS Member Banks

Madam/ Dear Sir,

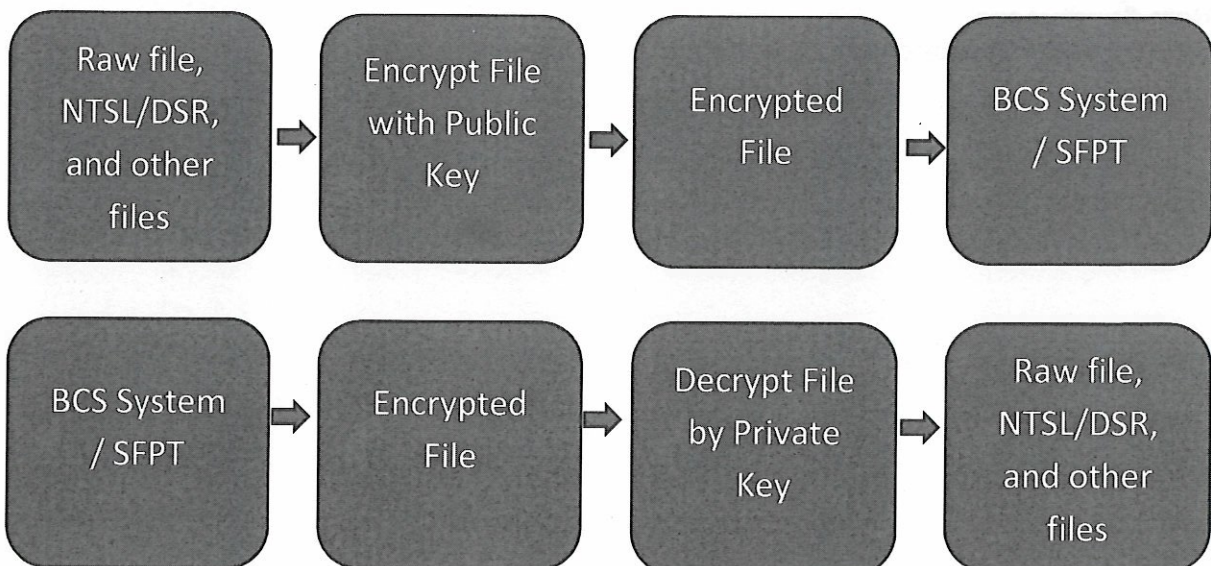Sub: **IMPS - File exchange in back office system between NPCI and banks**

NPCI and member banks exchange files through back office system for reconciliation, settlement and dispute processing. NPCI will use PGP encryption standards to encrypt files (containing PII data) exchanged between Member Bank and NPCI so as to ensure that data is protected.

PGP Encryption Overview

PGP is an encryption program that provides cryptographic privacy and authentication for data communication. PGP is used for encrypting and decrypting files which will be shared between Member banks and NPCI.

Public and Private keys play a vital role in PGP to encrypt and decrypt the data. Public key is used to encrypt the data and private keys is used to decrypt the data. NPCI will share the tool and key corresponding to a Bank for PGP encryption / decryption.

The following diagrams show the encryption and decryption process:

Raw file, NTSL/DSR, and other files → Encrypt File with Public Key → Encrypted File → BCS System / SFPT

BCS System / SFPT → Encrypted File → Decrypt File by Private Key → Raw file, NTSL/DSR, and other files

Changes applicable to banks

NPCI will be sharing files with PII data encrypted under PGP algorithm. Banks need to download the files from back office system, decrypt using the PGP tool and then take it for further processing internally. Similarly, member bank will encrypt the file with PGP tool and then stage the file containing PII data into back office system.

NOTE:

Currently, PGP encryption is already in place in NPCI for IMPS for uploading the dispute file in back office system. The PGP encryption will be extended to file generated by NPCI i.e. files staged by NPCI and Member banks.

Implementation date:

The process of PGP encryption will be implemented w.e.f. 15-06-2019.

For any queries or clarification, please contact the following official:-

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Yours faithfully,

SD/-

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